

REMARKS/ARGUMENTS

Claims 1-205 are now pending. Claims 1, 2, 28, 31, 53, 56, 60, 74, 93, 102, 119, 130, 133, 140, 148, 154, 158, 161, 172, 181, 182, 183, 193 and 197 are independent. Claims 182 to 201 are added in this amendment, to address the PTO's new interpretations of § 101 in the *Bilski* Guidelines and recent decisions of the Board of Patent Appeals and Interferences. A check for \$1064.00 to cover the additional four independent claims and for 24 additional claims over 20 is enclosed.

By this paper, Applicant amends the claims to address the PTO's new interpretations of § 101 in the *Bilski* Guidelines and recent decisions of the Board of Patent Appeals and Interferences.

The language "with assistance of a computer" has been amended.

Claims have been amended to recite "an operating lease under financial accounting rules or a true lease under tax accounting rules". This language is supported at, for example, paragraphs [0018], [0021], [0029], [0072], and [0082] (paragraph number references are to the Substitute Specification filed September 29, 2005).

The "segregable payments" of new claims 183-203 are supported at, for example, Figs. 2A and 2B.

The added claims are patentable for reasons discussed in the papers of November 2009 and August 2010.

This paper incorporates by reference the paper of November 5, 2009 captioned "Reply to Office Action or in the Alternative Appeal Brief" and in the Reply to Office Action of August 19, 2010. Applicant reiterates the cautions of examination procedure set forth in those two papers:

- Breadth is not indefiniteness. MPEP § 2174
- Alternative language is not indefinite *per se*. MPEP § 2173.05(h)(II); *In re Gaubert*, 524 F.2d 1222, 187 USPQ 664 (CCPA 1975).
- There is no such thing as a "descriptive matter" exclusion applicable to § 102/§ 103. There is no mention of such a thing in MPEP Chapter 2100.¹ Only "printed matter"

¹ MPEP § 2106.01 discusses "descriptive material" but only in the context of § 101.

constituting “arrangements of printed lines or characters, useful and intelligible only to the human mind” is subject to question. *In re Lowry*, 32 F.3d 1579, 1582-83, 32 USPQ2d 1031, 1034 (Fed. Cir. 1994) explains as follows (citations omitted):

The Patent and Trademark Office (PTO) must consider all claim limitations when determining patentability of an invention over the prior art. The PTO may not disregard claim limitations comprised of printed matter. ...

As an initial matter, this court notes that *Gulack* cautioned against a liberal use of “printed matter rejections” under section 103:

A “printed matter rejection” under § 103 stands on questionable legal and logical footing. Standing alone, the description of an element of the invention as printed matter tells nothing about the differences between the invention and the prior art or about whether that invention was suggested by the prior art.... [The Court of Customs and Patent Appeals], notably weary of reiterating this point, clearly stated that printed matter may well constitute structural limitations upon which patentability can be predicated.

Despite this cautioning, the Board erroneously extended a printed matter rejection under sections 102 and 103 to a new field in this case, which involves information stored in a memory. This case, moreover, is distinguishable from the printed matter cases. The printed matter cases “dealt with ... arrangements of printed lines or characters, useful and intelligible only to the human mind.” The printed matter cases have no factual relevance where “the invention as defined by the claims *requires* that the information be processed not by the mind but by a machine, the computer.” *Lowry*’s data structures, which according to *Lowry* greatly facilitate data management by data processing systems, are processed by a machine. Indeed, they are not accessible other than through sophisticated software systems. The printed matter cases have no factual relevance here.

Nor are the data structures analogous to printed matter. *Lowry*’s [data structures] ... contain both information used by application programs and information regarding their physical interrelationships within a memory. *Lowry*’s claims dictate how application programs manage information. Thus, *Lowry*’s claims define functional characteristics of the memory.

If the Patent Office maintains any further position relating to “descriptive material” that is not “printed matter,” or otherwise disagrees with the Federal Circuit’s holding that no such doctrine exists, and disagrees with the MPEP’s withholding of authorization to deny weight to “descriptive material” under § 102/§ 103, and asserts that if such a doctrine exists that it is applicable to information in a computer, the Patent Office must come forward with case law that overrules or distinguishes *Lowry*.

- Applicant draws the Examiner’s attention to a memo from Director Kappos, *Subject Matter Eligibility of Computer Readable Media*, 1351 O.G. 212 (Jan 26, 2010) (copy attached as Exhibit 1), which instructs examiners on two issues:
 - a claim amended to add the limitation “non-transitory” covers “only statutory embodiments [and] avoid[s] rejection under 35 U.S.C. § 101”

- “Such an amendment would typically not raise the issue of new matter, even when the specification is silent” (with exceptions that do not apply here).
- Attention is further drawn to a memo from the Executive Office of the President to all executive branch employees, the *Final Bulletin for Agency Good Guidance Practices*,² which cautions that employee staff manuals are asymmetric and unilateral, binding only on the agency and not on the public:
 - Guidance documents and employee staff manuals may not be applied as regulatory requirements against the public. Only regulations promulgated with full rule making procedure (*e.g.*, 37 C.F.R.) may be asserted as binding against the public.
 - Agency employees do not have the authority to grant themselves waivers from staff manuals. If the MPEP states that the examiner “must” or “will” do something, the examiner has no authority to depart without clearance from the PTO’s good guidance officer, which as of today appears to be the Acting Associate Commissioner for Examination Policy.

Applicant hereby authorizes the USPTO to communicate with any authorized representative concerning this application by electronic mail.

Applicant respectfully submits that the claims are in condition for allowance. Applicant requests that the application be passed to issue in due course. The Examiner is urged to telephone Applicant's undersigned counsel at the number noted below if it will advance the prosecution of this application, or with any suggestion to resolve any condition that would impede allowance. For the entire pendency of this application, the Commissioner is hereby

² Executive Office of the President, “Final Bulletin for Agency Good Guidance Practices” (OMB Memorandum M-07-07, January 18, 2007, <http://www.whitehouse.gov/omb/memoranda/fy2007/m07-07.pdf>), 72 Fed. Reg. 3432 (Jan. 25, 2007) attached as Exhibit 3 to the “Reply to Office Action or in the Alternative Appeal Brief” of November 5, 2009; and “Implementation of Executive Order 13422 (amending Executive Order 12866) and the OMB Bulletin on Good Guidance Practices” (OMB Memorandum M-07-13, April 25, 2007, <http://www.whitehouse.gov/omb/memoranda/fy2007/m07-13.pdf>).

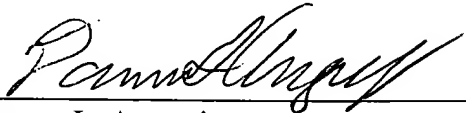
authorized to charge any additional required fees (including all extension of time fees), or credit any overpayment, to Deposit Account No. 50-3219, Order No. 1906-3-Polestar.

Respectfully submitted,

For

TI FUNDING GROUP, L.L.C.

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Exhibit 1 to
Supplementary Amendment

**David Kappos, Subject Matter Eligibility of
Computer Readable Media, 1351 O.G. 212
(Jan 26, 2010)**

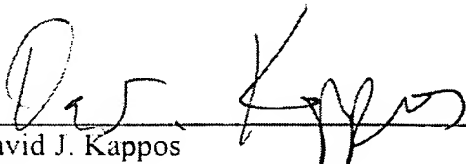
Subject Matter Eligibility of Computer Readable Media

The United States Patent and Trademark Office (USPTO) is obliged to give claims their broadest reasonable interpretation consistent with the specification during proceedings before the USPTO. *See In re Zletz*, 893 F.2d 319 (Fed. Cir. 1989) (during patent examination the pending claims must be interpreted as broadly as their terms reasonably allow). The broadest reasonable interpretation of a claim drawn to a computer readable medium (also called machine readable medium and other such variations) typically covers forms of non-transitory tangible media and transitory propagating signals *per se* in view of the ordinary and customary meaning of computer readable media, particularly when the specification is silent. *See* MPEP 2111.01. When the broadest reasonable interpretation of a claim covers a signal *per se*, the claim must be rejected under 35 U.S.C. § 101 as covering non-statutory subject matter. *See In re Nuijten*, 500 F.3d 1346, 1356-57 (Fed. Cir. 2007) (transitory embodiments are not directed to statutory subject matter) and *Interim Examination Instructions for Evaluating Subject Matter Eligibility Under 35 U.S.C. § 101*, Aug. 24, 2009; p. 2.

The USPTO recognizes that applicants may have claims directed to computer readable media that cover signals *per se*, which the USPTO must reject under 35 U.S.C. § 101 as covering both non-statutory subject matter and statutory subject matter. In an effort to assist the patent community in overcoming a rejection or potential rejection under 35 U.S.C. § 101 in this situation, the USPTO suggests the following approach. A claim drawn to such a computer readable medium that covers both transitory and non-transitory embodiments may be amended to narrow the claim to cover only statutory embodiments to avoid a rejection under 35 U.S.C. § 101 by adding the limitation "non-transitory" to the claim. *Cf. Animals – Patentability*, 1077 *Off. Gaz. Pat. Office* 24 (April 21, 1987) (suggesting that applicants add the limitation "non-human" to a claim covering a multi-cellular organism to avoid a rejection under 35 U.S.C. § 101). Such an amendment would typically not raise the issue of new matter, even when the specification is silent because the broadest reasonable interpretation relies on the ordinary and customary meaning that includes signals *per se*. The limited situations in which such an amendment could raise issues of new matter occur, for example, when the specification does not support a non-transitory embodiment because a signal *per se* is the only viable embodiment such that the amended claim is impermissibly broadened beyond the supporting disclosure. *See, e.g., Gentry Gallery, Inc. v. Berkline Corp.*, 134 F.3d 1473 (Fed. Cir. 1998).

Date:

1/26/10



David J. Kappos

Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office